

Message Text

CONFIDENTIAL

PAGE 01 SANTIA 07711 201947Z

63

ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-03 H-01 INR-05 L-02

NSAE-00 NSC-05 PA-01 RSC-01 PRS-01 SP-02 SS-15

USIA-06 COME-00 EB-07 LAB-04 SIL-01 OMB-01 AID-05

IO-10 /081 W

----- 128043

R 201902Z DEC 74

FM AMEMBASSY SANTIAGO

TO SECSTATE WASHDC 1494

C O N F I D E N T I A L SANTIAGO 7711

EO 11652: GDS

TAGS: CI, PINT, ELAB

SUBJECT: GOC PREVIEWS NEW LABOR CODE AND LABOR LEADERS PRESENT
STATEMENT TO ILO COMMISSION

ARA/LA/MRSD O'GRADY PASS SUBSTANCE TO AFL-CIO

1. SUMMARY: GROUP OF LABOR LEADERS PRESENTED SIGNED
STATEMENT DEC 18, DESCRIBING PAST UP GOVT ABSUES AND PRESENT
CONDITIONS IN CHILE, TO ILO COMMISSION WHICH IS WINDING UP
CHILEAN INVESTIGATION. LABOR MINISTER DIAZ PRESENTED OUTLINE
OF NEW LABOR CODE TO BE ANNOUNCED ON LABOR DAY, MAY 1, 1975.
BOTH EVENTS APPARENTLY TIMED FOR MAXIMUM IMPACT PRIOR DEPARTURE
COMMISSION. INTENTIONS OF GOC RESTORE TRADE UNION RIGHTS LEFT
UNCLEAR BY MINISTER'S STATEMENT. PRESIDENT OF COMMITTEE WHICH
DRAFTED NEW LABOR CODE TELLS EMBOFF THAT GOC WILL PROBABLY
RESTRUCTURE LABOR MOVEMENT THROUGH SUPERVISED ELECTIONS
BEFORE RESTORING RIGHT OF COLLECTIVE BARGAINING. END SUMMARY.

2. DEC 19 SANTIAGO DAILIES PROMINENTLY REPORTED DEC 18
PRESENTATION OF STATEMENT OF SEVERAL MAJOR LABOR LEADERS TO
VISITING ILO COMMISSION. SEVEN-PAGE STATEMENT DEVELOPS
CONSIDERABLE BACKGROUND OF ALLENDE GOVERNMENT ABUSES OF POWER
AS REGARDS ORGANIZED LABOR, AND GENERAL THEME THAT PRESENT
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 SANTIA 07711 201947Z

SUSPENSION OF COLLECTIVE BARGAINING AND RIGHT TO STRIKE ARE

NECESSARY SACRIFICES DURING DIFFICULT PERIOD OF TRANSITION. STATEMENT MAKES CLEAR, HOWEVER, THAT THESE TWO MAJOR RIGHTS ARE NECESSARY FOR FUNCTIONING OF A FREE LABOR MOVEMENT. STATEMENT'S AUTHORS CORRECTLY POINT OUT THAT ON OCTOBER 1, 1972 MARXIST LEADERSHIP OF NATIONAL LABOR CONFEDERATION (CUT) SIGNED AGREEMENT WITH ALLENDE GOVERNMENT IN WHICH THEY AGREED TO SUSPENSION THESE RIGHTS FOR PROMISE OF AUTOMATIC WAGE ADJUSTMENTS PEGGED TO COST-OF-LIVING INDEX. WHILE RECOGNIZING PRESENT NEED FOR CONTINUED SUSPENSION OF BARGAINING AND STRIKE RIGHTS, LEADERS CLEARLY STATE THAT THEY HAVE NO INTENTION OF RENOUNCING BASIC TRADE UNION RIGHTS AND EXPECT THAT GOC WILL RESTORE THEM IN NEAR FUTURE.

3. INFORMATION FROM LABOR LEADERS WHO CLAIM THEY SIGNED STATEMENT INDICATES DOCUMENT HAS 150 TO 200 SIGNATURES, MOST OF WHICH RE BY SECONDARY LEADERS. AMONG MAJOR LEADERS WHO ENDORSED STATEMENT ARE GUILLERMO SANTANA, PRES. NAT. CONFED OF COPPER WORKERS - CTC, AND WASHINGTON SEPULVEDA, PRES OF NAT. FED OF HEALTH SERVICE WORKERS - FENATS. FORMER TELLS US THAT DOCUMENT WAS PREPARED BY EDIL ARREGOETIA, (URUGUAYAN) REP OF INTERNATIONAL FED. COMMERCIAL, CLERICAL AND TECHNICAL EMPLOYEES - FIET, AND CHILEAN LABOR MINISTRY OFFICIALS. SANTANA AND OTHERS SAID THERE WAS "CONSIDERABLE PRESSURE" FROM LABOR MINISTRY OFFICIALS ON LABOR LEADERS TO SIGN DOCUMENT.

4. LABOR MINISTER GENERAL NICANOR DIAZ ON DEC 18 ISSUED PUBLIC STATEMENT THAT GOC WILL ANNOUNCE FORM OF NEWLY DRAFTED LABOR CODE ON MAY 1, 1975. DIAZ SAID GOC RECOGNIZES THAT RIGHT OF COLLECTIVE BARGAINING AND STRIKE ARE "NOT RENOUNCEABLE RIGHTS (DERECHOS IRRENUNCIABLES)" AND WILL BE GUARANTEED BY NEW LABOR CODE. DIAZ DID NOT STATE THAT NEW LABOR CODE PROVISIONS RESTORING RIGHT TO STRIKE AND NEGOTIATE COLLECTIVELY WILL TAKE EFFECT ON MAY 1. HE IMPLIED THAT CHILEAN WORKERS WOULD HAVE OPPORTUNITY TO REORGANIZE THEIR MOVEMENT AND WOULD HAVE RIGHT TO DECIDE WHETHER TO JOIN UNIONS OR REMAIN APART. HE HINTED THAT THERE WOULD BE ELECTIONS OF UNION LEADERS UNDER NEW LABOR CODE BY STATEMENT THAT "POLITICAL LEADERS CANNOT BE ELECTED AS LEADERS OF UNIONS". NEW LABOR CODE WILL ELIMINATE PRESENT DISCRIMINATION BETWEEN WHITE-COLLAR AND BLUE-COLLAR EMPLOYEES (EMPLEADOS Y OBREROS). DIAZ
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 SANTI 07711 201947Z

INDICATED MAJOR REVISION OF SOCIAL SECURITY SYSTEMS WOULD TAKE BETWEEN 18 MONTHS AND FIVE YEARS.

5. ERNESTO YAVAR, WHO HEADED COMMISSION WHICH DRAFTED NEW LABOR CODE, TOLD LABATT HE EXPECTS GOC WILL BEGINSQAY 1 OF NEXT YEAR TO "RESTRUCTURE THE LABOR MOVEMENT THROUGH SUPERVISED ELECTION OF UNION AND FEDERATION OFFICERS. ONCE THIS IS ACCOMPLISHED, SOME FORM OF LIMITED COLLECTIVE

BARGAINING WILL BE PERMITTED". YAVAR DID NOT EXPECT THAT THE RIGHT TO STRIKE WOULD BE RESTORED IN THE "FORESEEABLE FUTURE".

6. COMMENT: MINISTER DIAZ' BRIEF PREVIEW OF FORM OF NEW LABOR CODE AND LABOR LEADERS' STATEMENT APPARENTLY ARE TIMED FOR MAXIMUM IMPACT ON ILO COMMISSION MEMBERS, WHO ARE WINDING UP THEIR CHILEAN INVESTIGATION. MINISTER'S STRONG STATEMENT ON GOC'S INTENTION TO RESTORE TRADE UNION RIGHTS APPEARS TO BE SLIGHTLY EXAGGERATED, SINCE BY HIS OWN ADMISSION, LABOR CODE DRAFT IS STILL "UNDER STUDY (EN PODER) BY THE COUNCIL OF MINISTERS"

7. ALTHOUGH STATEMENT PRESENTED TO ILO COMMISSION APPARENTLY HAS BEEN ENDORSED BY ONLY A SMALL SAMPLING OF CHILE'S MORE IMPORTANT LABOR LEADERS, IT IS AN IMPRESSIVE DOCUMENT. IT PROVIDES STRONG FACTUAL BACKGROUND ON THE ALLENDE GOVERNMENT'S DISREGARD FOR TRADE UNION RIGHTS, WHICH SHOULD MAKE COMPARISONS BETWEEN THE UP AND JUNTA'S TREATMENT OF LABOR APPPEAR SOMEWHAT LESS FAVORABLE TO THE UP.

COPIES OF STATEMENT WILL BE POUCHED TO ARA"LA/MRSD.
POPPER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LABOR LAW, UNION GOVERNMENT RELATIONS, REPORTS, LABOR UNION OFFICIALS
Control Number: n/a
Copy: SINGLE
Draft Date: 20 DEC 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: elyme
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974SANTIA07711
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740371-0616
From: SANTIAGO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741219/aaaaapml.tel
Line Count: 137
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: elyme
Review Comment: n/a
Review Content Flags:
Review Date: 11 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <11 SEP 2002 by boyleja>; APPROVED <19 MAR 2003 by elyme>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GOC PREVIEWS NEW LABOR CODE AND LABOR LEADERS PRESENT STATEMENT TO ILO COMMISSION
TAGS: PINT, ELAB, CI, ILO
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005